

MONITORING PLANS

Housing

The City of Cambridge intends to use the existing housing delivery system to achieve its production and service goals. While this will include managing some in-house programs, many programs and services will be contracted out to sub-grantees. For specific development projects, funds will be allocated to eligible projects on a competitive basis. Cambridge has had a very successful history of managing housing programs in this way.

The City monitors housing rehabilitation, new construction activity and all other community development activity carried out by sub-recipients on an annual monitoring schedule created to ensure strict compliance with applicable HUD laws, regulations and program guidelines. The monitoring process also includes an ongoing review of production levels as benchmarked in the Five-Year Consolidated Plan.

On a regular basis, the City reviews applications for specific project funding, reviewing all available funds against the needs of projects in the pipeline. This is in addition to reviewing project feasibility, providing technical assistance, and monitoring the progress of projects under construction on an on-going basis.

On a monthly basis, the City reviews all sub-grantee operating expenses by examining bills and supporting documentation for monthly program expenditures, including administrative and construction costs.

Quarterly, the City comprehensively reviews sub-recipient performance levels; reviews overall performance against goals, as well as analyze consolidated budget statements.

Annually, the City conducts regular ongoing site visits as well as program and tenant file monitoring of the Home Improvement Program, Home Ownership Program, units funded through the HOME Program, Community Development Block Grant, and other federally funded programs to ensure compliance with program goals and federal regulations. Property Inspections are built into our service delivery system and is conducted as prescribed by HUD. Properties are closely monitored beginning at the time funds are committed to the completion of construction or rehabilitation, with monitorings that follow in subsequent years. Each year the Housing Division conducts property inspections on 10% to 15% of the units in its affordable housing stock using the schedule below:

Property Inspection Schedule:

- Every 3 years for projects with 1-4 units
- Every 2 years for projects with 5-25 units
- Annually for projects with 26 or more units

Economic Development

The City of Cambridge Economic Development Division has as its Objectives: #1 - Cultivate a supportive environment for entrepreneurship; and #2 – Sustain a diverse array of employment opportunities for Neighborhood Revitalization Strategy area residents.

The current Block Grant funded strategies to achieve these Objectives are the support of nonprofits as sub-recipients and contractors.

The City plans to conduct an on-site monitoring assessment of the program activities of the sub-recipient on a set, periodic basis (2 times a year) in order to ensure strict compliance with economic development program guidelines. The program assessment will look at the sub-recipient's progress in meeting objectives, in meeting set goals, it's reporting compliance with regard to timeliness and accuracy and whether required documentation is on file, all requirements set forth in the sub-recipient agreement between the City and the sub-recipient.

On an annual basis, the City will receive and review within 45 days of completion, a full copy of the sub-recipient's annual audit with management letter, if performed.

On a quarterly basis, the City will review copies of marketing materials for all programs and activities and a distribution list for same, a progress report on pre-development outreach activities, and all pertinent records including: copies of signed family income certification forms, a schedule of programs commenced in the quarter, copies of staff time sheets and a financial report of expenditures per Block Grant funded program.

On a monthly basis, the City will review all sub-recipient personnel and non-personnel operating expenses by examining invoices and supporting documentation for monthly program expenditures, outreach and general and administrative expenditures, as well as program income, if any.

A current Block Grant funded initiative to achieve Goal 5 of the City's Economic Development Policy: "Promote a real estate market which offers a diverse array of options for the development and leasing of business properties of different sizes, use categories and price ranges" and the sub-goal 5.3: "Maintain thriving commercial districts", is the Best Retail Practices Program. The City has entered into a contractual agreement with an expert consultant to provide services for this program. The program provides, 2 times a year, a workshop and individual store design consultation services to low-mod income micro enterprises that are retailers, restaurateurs and storefront services businesses in the City. Best Retail Practices is managed in-house and all required documentation from the participants is retained in-house.

The City actively participates in the distribution of services provided to the participants of this program. The City does the advertising and marketing the program to eligible Cambridge businesses, sponsors and participates in the workshop as an outreach activity,

reviews, accepts and keeps on file the original applications (family income certification forms), sets up and accompanies the consultant on the individual consultations. The City monitors the number of participants to whom the consultant provides services.

The City also monitors the receipt of post-consultation written reports from the consultants to the participants, making sure that they are received in accordance with a pre-set schedule outlined in the contract. The City distributes the reports to the participants.

On a monthly basis, the City reviews all itemized invoices presented for payment on a percent complete basis by the consultant to assure their accuracy with respect to charges for performance under their contract with the City.

Public Services

The CDBG grants manager conducts a thorough monitoring process of all CDBG recipients during the course of each contract year. This process includes several approaches and is outlined below.

1. Site visits of CDBG recipients are conducted by CDBG grants manager on a yearly basis and involve the following:

- Meeting with CDBG recipient on site to review contract compliance, program and agency management;
- Reviewing clients' files to ensure recipient's compliance with HUD income eligibility requirements;
- Reviewing recipient's capacity in collecting and reporting "client's demographic data" as mandated per HUD guidelines; and providing technical assistance as needed;
- Reviewing the "proposed" number of unduplicated clients to be served by the program against the "actual" number reported by recipients; and discussing the need to reassess these figures where discrepancies and/or inconsistencies are identified;
- Reviewing recipient's "performance measure" process and providing technical assistance as needed;
- Identifying and addressing areas of concerns in order to ensure recipient's compliance with all of HUD mandated rules/regulations; and
- Observing program/s where applicable; and visiting facilities (for new recipient/program).

The CDBG grants manager/monitor prepares a final monitoring report that synthesizes the information gathered during the site visit; and forward a copy of the report to each CDBG recipient. The report includes a "Monitors' Result/Summary" section that summarizes the monitor's assessment of the site visit and identifies any issues/concerns to be addressed by each recipient, with the assistance of the monitor if necessary.

2. Financial monitoring of CDBG recipients occurs as follows:

- Reviewing CDBG recipient's monthly/quarterly invoices and supporting documentation to ensure that all costs correspond to project services as outlined in recipient's contract budget; and conducting random review of invoices during site visits where applicable; and
- Collecting and reviewing the following recipient's documentation: its most recent audited financial statements, together with all related reports on internal controls and compliance and Management Letter if applicable; and its approved State Pre-qualification Form/Corrective Action Plan, or its most recent Certificate of Registration and Form PC from the Division of Public Charities of the Massachusetts Office of the Attorney General.

3. Ongoing review by CDBG grants manager of quarterly/semi-annual reports submitted by CDBG recipients:

- Quarterly Reports: at the end of each quarter, CDBG recipients submit a report indicating the “total number of unduplicated clients served” during this period by their CDBG-supported programs, as well as the corresponding clients’ demographic data as mandated per HUD guidelines;
- Semi-Annual Reports: every six months, CDBG recipients submit an expanded version of the Quarterly Report that includes additional information such as: recipients’ progress in meeting the goals/objectives outlined on their contracts’ Scope of Services/Workplans; an update in recipients’ outreach and fundraising efforts; and other administrative information; and
- Follow-up: upon review of the reports, the CDBG grants manager proceeds to contact recipients to clarify any discrepancies and/or incomplete data identified on their reports, if applicable.

At the end of the contract year, the CDBG grants manager compiles all the client demographic data reported by the CDBG recipients; and prepares a comprehensive clients’ statistical report that becomes part of CAPERS (a mandated yearly HUD report).

4. The monitoring process is further enhanced by regular contact between the CDBG grants manager and the CDBG recipients as follows:

- Ongoing communication with CDBG recipients maintained via phone, e-mails, written correspondence, and meetings as needed; and
- Ongoing provision of technical assistance to ensure recipients’ compliance with HUD mandated rules/guidelines.

ESG

As part of its on-going monitoring of ESG recipients, the City's ESG grants manager uses a three-pronged approach including a mix of regular phone contact, monthly financial record review, and as needed, on-site monitoring visits.

Financial monitoring of recipients occurs monthly when bills are submitted. Invoices and billing statements are checked to ensure that spending is only occurring on eligible activities and importantly, funding limits on essential services, operations costs, homeless prevention activities, and administrative costs are all in compliance with HUD mandated rules.

Grant recipients must both submit their most recent audit and be in the process of implementing the HMIS data collection required by HUD for McKinney-Vento funding. Further contact with ESG funded agencies occurs at the monthly Cambridge Continuum of Care Homeless Services Providers meetings held at the City's Multi-Service Center for the Homeless. Annually, the ESG grants manager attends consumer forums to hear the view point of clients receiving services from ESG funded programs. If any concerns are raised during these forums, the City will follow up with the agency to ensure any issues are resolved.

On a quarterly basis, all ESG funded agencies must submit the number of new clients coming into their programs. If the number of beneficiaries served is well under or over target for the period, agencies are contacted for further information. At the end of the grant year, recipients of awards must complete and sign a two page monitoring form, which is used to assess the performance of the program for that year and then is fed into the CAPERS report.